

Message

From: Kandil, Shereen [Kandil.Shereen@epa.gov]
Sent: 2/8/2022 8:47:07 PM
To: Mayor Alberto Santos [mayor@kearnynj.org]; David.Haymes@dep.nj.gov; Louis Karagias [Louis.Karagias@law.njoag.gov]; Oconnell, Kimberly [OConnell.Kim@epa.gov]; Mellott, Deborah [Mellott.Deborah@epa.gov]; Kevin.Kratina@dep.nj.gov; Frank.Defeo@dep.nj.gov; Abels, Jeanette [Jeanette.Abels@dep.nj.gov]; susan@mccurrielaw.com; Saghafi, Farnaz [Saghafi.Farnaz@epa.gov]; Baxter, Pamela [baxter.Pamela@epa.gov]; Kloo, Ken [Ken.Kloo@dep.nj.gov]; Zizila, Frances [Zizila.Frances@epa.gov]; Wilson, Eric [Wilson.EricJ@epa.gov]; TM@cq-law.com; jbruno@cq-law.com
Subject: RE: Syncon Resins update

Good afternoon, everyone.

Thank you for your quick responses. EPA's Office of Regional Counsel will prepare a draft MOA in accordance with current EPA guidance and circulate it to counsel for NJDEP and the Town for review and comment. Any final MOA is subject to the approval of authorized EPA officials.

Thank you,
Shereen

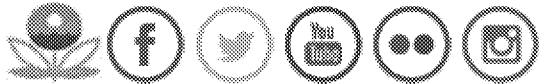
Shereen Kandil *(she/her/hers)*

Team Leader, Community Affairs

Public Affairs Office

212-637-4333

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U.S. Environmental Protection Agency, Region 2
290 Broadway, 26th Floor
New York, NY 10007

From: Mayor Alberto Santos <mayor@kearnynj.org>
Sent: Tuesday, February 8, 2022 2:58 PM
To: Kandil, Shereen <Kandil.Shereen@epa.gov>; David.Haymes@dep.nj.gov; Louis Karagias <Louis.Karagias@law.njoag.gov>; Oconnell, Kimberly <OConnell.Kim@epa.gov>; Mellott, Deborah <Mellott.Deborah@epa.gov>; Kevin.Kratina@dep.nj.gov; Frank.Defeo@dep.nj.gov; Abels, Jeanette <Jeanette.Abels@dep.nj.gov>; susan@mccurrielaw.com; Saghafi, Farnaz <Saghafi.Farnaz@epa.gov>; Baxter, Pamela <baxter.Pamela@epa.gov>; Kloo, Ken <Ken.Kloo@dep.nj.gov>; Zizila, Frances <Zizila.Frances@epa.gov>; Wilson, Eric <Wilson.EricJ@epa.gov>; TM@cq-law.com; jbruno@cq-law.com
Subject: Re: Syncon Resins update

Hello Shereen,

Yes, the Town is in agreement with the division of the sales proceeds as outlined in your February 7, 2022 email. Please let us know what the process is for drafting and reviewing the MOA.

Thank you,

Al Santos,

Mayor, Kearny, NJ

From: Kandil, Shereen <Kandil.Shereen@epa.gov>

Sent: Monday, February 7, 2022 11:04 AM

To: David.Haymes@dep.nj.gov; Louis Karagias; Oconnell, Kimberly; Mellott, Deborah; Kevin.Kratina@dep.nj.gov; Frank.Defeo@dep.nj.gov; Abels, Jeanette; susan@mccurrielaw.com; Mayor Alberto Santos; Saghafi, Farnaz; Baxter, Pamela; Kloo, Ken; Zizila, Frances; Wilson, Eric; TM@cq-law.com; jbruno@cq-law.com

Subject: Syncon Resins update

Good morning,

We are in receipt of the Town of Kearny's counteroffer dated 12/27/2021 (attached) which requests an increase in the Tier 3 percentage for the Town of Kearny from 22.5% to 25% while Tiers 1 and 2 remain the same as proposed in EPA's email of 2/26/21. After discussions with the DEP on 1/21/22 and via email dated 2/4/22, EPA and DEP have agreed to accept the Town's counteroffer. Therefore, in accordance with the Town's 12/27/21 email and email dated 7/16/21 in which the Town generally agreed (specific language set forth in below excerpt) with the DEP's 2 stated conditions set forth in the DEP's email of 6/11/21, EPA believes that the parties have reached an agreement in principal on the division of proceeds from the future sale of the Syncon site, subject to the DEP's stated conditions, and can move forward with the drafting of the Memorandum of Agreement ("MOA"). Please confirm that the Town and DEP agree to the following:

The division of the sales proceeds would be as follows:

Tier 1 - Net proceeds up to \$18M will be split: 70% EPA, 17% Town, 13% DEP

Tier 2 - Net proceeds between \$18M and \$20.5M will be split: 50% EPA, 36% Town, 14% DEP

Tier 3 - Remaining net proceeds above \$20.5M will be split: 53.75% EPA, 25% Town, 21.25% DEP

And the following was the Town's 7/16/21 response to the DEP's 2 conditions which will we work on incorporating into the MOA:

"As to the NJDEP's 2 conditions:

- the Town agrees that when it sells the property to a Redeveloper, the Redeveloper must assume future O&M costs.
- the 2 year time limit to sell the property will be tight, because we anticipate that the foreclosure could take approximately 10 months, and there is a one-year period after that in which the foreclosure sale could be challenged, so the purchaser might not be able to get title insurance during that period. We can use 2 years as the goal, but there needs to be some flexibility to extend that time period under these circumstances."

We look forward to your confirmation of agreement on the division of proceeds so that EPA can begin the process of drafting the MOA which will be negotiated by counsel for the parties.

Thank you.

Shereen Kandil *(she/her/hers)*

Team Leader, Community Affairs

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